

# Legislative Analysis



## **"QUALIFIED NEW JOB": EXPAND DEFINITION TO INCLUDE NON-RESIDENTS FOR BORDER COUNTIES**

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**Senate Bill 40 as passed by the Senate**

**Sponsor: Sen. Dale W. Zorn**

**House Committee: Commerce and Trade**

**Senate Committee: Economic Development and International Investment**

**Complete to 2-27-17**

### **SUMMARY:**

The Michigan Strategic Fund operates the Michigan Business Development Program. The program provides grants, loans, and other economic assistance to qualified businesses that make qualified investments or provide *qualified new jobs* in Michigan. Currently, the term "qualified new job" refers, among other things, to a job performed by an individual who is a resident of Michigan.

Senate Bill 40 would amend the Michigan Strategic Fund Act to expand the definition of "qualified new job" to include a job performed by an individual who is not a resident of Michigan, but who is employed by a business that is located in a Michigan county that borders another state or country. The individual must work at a project in Michigan, as described in the written agreement between the MSF and the business receiving a grant, loan, or other economic assistance from the MSF.

MCL 125.2088r

### **FISCAL IMPACT:**

The bill would have no fiscal impact on state or local government. While the provisions of the bill would alter the definition of a qualified new job under the Michigan Business Development Program (MBDP), thus making it easier for businesses employing nonresidents of the state to qualify for or enhance existing MBDP grants and loans, the appropriation level for the MBDP is set by the legislature. Total MBDP grant and loan amounts would still be limited by the appropriation amount set in the annual appropriation acts.

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